

Exhibit

A

JUDICIAL BRANCH

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18 **ONLINE PAYMENT SOLUTIONS INC.,**

19 **UNITED STATES DISTRICT COURT**
20 **SOUTHERN DISTRICT OF NEW YORK**

21 **ONLINE PAYMENT SOLUTIONS INC.,**
22 a New York corporation.

23 Plaintiff,
24 - against -

25 **SVENSKA HANDELSBANKEN A.B.,** a
26 Swedish public company; **PETER LARS**
27 **JOHANSSON,** an individual; **NICHOLAS**
28 **NOLTER,** an individual; **ERIC NOLTER**
aka **ARYKSIN NOBLE,** an individual;
FACTOR EUROPE UK LIMITED, a
United Kingdom limited liability company,
and **DOES 1-10,**

Defendants.

Case No.:

COMPLAINT FOR:

1. **CONVERSION**
2. **AIDING & ABETTING**
3. **CONVERSION**
4. **AIDING & ABETTING**
5. **FRAUD**
6. **NEGLIGENCE**
7. **NEW YORK UNIFORM**
8. **DECEPTIVE TRADE**
9. **PRACTICES ACT (NY CLS**
10. **GEN BUS § 349)**

DEMAND FOR JURY TRIAL

COMPLAINT

FILED
U.S. DISTRICT COURT
2007 OCT -9 AM 11:14
S.D. OF N.Y.

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2
3 Plaintiff ONLINE PAYMENT SOLUTIONS INC., ("OPS") by and through their
4 undersigned counsel, brings this action against Defendants SVENSKA
5 HANDELSBANKEN A.B. ("HANDELSBANKEN"), PETER LARS JOHANSSON
6 ("JOHANSSON"); NICHOLAS NOLTER ("NOLTER"), ERIC NOLTER *aka*
7 ARYKSIN NOBLE ("ERIC NOLTER."), FACTOR EUROPE U.K. LIMITED
8 ("FACTOR EUROPE"), and DOES 1-10, (collectively "Defendants") and alleges as
9 follows:
10

11 **NATURE OF ACTION**
12

13
14 1. This is an action by OPS to recover over \$6 million in funds looted from
15 ECS World ("ECS") and, more precisely its merchants, including Menzia Trading
16 Limited ("MENZIA"), whose claims have been assigned to Plaintiff. Defendants, in the
17 guise of operating a credit card processing solution, implemented a massive fraudulent
18 scheme. Using assorted bribes and profit-sharing inducements, Defendants were able to
19 acquire an essential Visa/Mastercard merchant banking relationship and accounts through
20 HANDELSBANKEN, imbuing themselves with the aura of legitimacy and reputability
21 that concealed their prior history of rampant banking fraud.

22 2. Representing that their "Scandorder" processing solution would minimize
23 settlement delays with Visa/Mastercard and optimize merchant receipt of credit-card
24 funds, Defendants were able to acquire ECS' merchant payment transactions. In reliance
25 on Defendants' representations, most focally the existence of the pivotal Visa/Mastercard
26 approved merchant banking relationship through HANDELSBANKEN, ECS permitted
27 Defendants to process millions of dollars in merchant payments. However, though
28

1 HANDELSBANKEN collected ECS' merchants' funds from Visa/Mastercard,
2 Defendants failed to turn over \$ 6,236,372 of such funds. Accordingly, Plaintiff now
3 seeks compensatory and punitive damages, prejudgment interest, attorneys' fees, costs,
4 and such other and further relief as this Court deems proper and just.

5 **THE PARTIES**

6 3. Plaintiff OPS is a corporation organized and existing under the laws of the
7 state of New York with its principal place of business in New York City, doing business
8 in this District.

9 4. Plaintiff is informed and believes that Defendant HANDELSBANKEN is
10 a Swedish public banking company with 456 branches worldwide, doing business in the
11 State of New York. Defendant HANDELSBANKEN is transacting and doing business in
12 this judicial district, and has maintained its branch office at 875 Third Avenue, New
13 York, New York since at least 1987. Defendant is subject to the personal jurisdiction of
14 this Court.

15 5. Plaintiff is informed and believes that Defendant JOHANSSON is an
16 individual, residing in Sweden, transacting and doing business in the State of New York,
17 within this judicial district, and is subject to the personal jurisdiction of this Court.

18 6. Plaintiff is informed and believes that Defendant NOLTER is an
19 individual, residing at 4669 Kelly Drive, West Palm Beach, Florida, 33415, and
20 transacting and doing business in the State of New York, within this judicial district, and
21 subject to the personal jurisdiction of this court.

22 7. Plaintiff is informed and believes that Defendant ERIC NOLTER is an
23 individual, residing in Fort Lauderdale, Florida, and transacting and doing business in the
24 State of New York, within this judicial district, and subject to the personal jurisdiction of
25 this court.

26 8. Plaintiff is informed and believes that Defendant FACTOR EUROPE is a
27

1 United Kingdom limited liability company, transacting and doing business in the State of
2 New York, within this judicial district, and is subject to the personal jurisdiction of this
3 court. FACTOR EUROPE was formed by Defendant JOHANSSON, who serves as the
4 company's sole director.

5 9. On information and belief, the true names and capacities, whether
6 individual, corporate, partnership, or otherwise of Defendants named herein as DOES
7 1-10, inclusive, are unknown and therefore Plaintiff sues Defendants by such fictitious
8 names. Defendant DOES 1-10, upon information and belief, are transacting and doing
9 business within this Judicial District, and are subject to the personal jurisdiction of this
10 court. Plaintiff is ignorant of the true names of DOES 1-10 and will ask leave of Court to
11 amend this complaint to show their true names and capacities when they have been
12 ascertained.

13 10. Plaintiff is informed and believes that at all times, all Defendants herein,
14 whether named or fictitiously designated were the agents, servants, employees, joint
15 venturers, and/or the alter egos of the remaining Defendants, and the acts of each
16 Defendant were within the course and scope of their agency, service, employment, and
17 with permission, consent, and ratification of each other Defendant.

18 **JURISDICTION AND VENUE**

19 11. This Court has original jurisdiction over this action pursuant to 28 U.S.C. §
20 1332(a) subdivisions (1) and (2), in that the matter in controversy exceeds the sum or
21 value of \$75,000, exclusive of interest and costs, and is between, the citizens of a State
22 and citizens or subjects of a foreign state.

23 12. Venue for this action is proper in this district, pursuant to 28 U.S.C. §
24 1391. Defendants are doing business in this judicial district, and a substantial part of the
25 events or omissions giving rise to Plaintiff's claims occurred in this district. In addition,
26 Defendant HANDELSBANKEN may be found in this judicial district and, has
27 maintained its branch office in this judicial district since 1987. Defendants are subject to

1 personal jurisdiction in this district at the time of the commencement of this action, and
2 venue for this action is, thus, properly within the Southern District of New York.

3 COMMON FACTS

4 13. Plaintiff OPS is a New York corporation, which has been assigned the
5 above-listed claims of ECS, a corporation duly organized and existing under the laws of
6 the United Kingdom, which include the specific claims of MENZIA, a limited liability
7 company organized and existing under the laws of the Republic of Cyprus.

8 14. MENZIA is a company engaged in the business of operating an online
9 pharmacy, selling discount medications by prescription to consumers through its website.
10 For example, New York consumers, whose doctors have issued them valid prescriptions,
11 access MENZIA's website, and present and fill these prescriptions online, receiving their
12 medications via mail.

13 15. Since 1999, ECS has been engaged in the business of assisting Internet
14 merchants, such as MENZIA, with securing online payment solutions, essentially
15 consisting of credit card processing software installed on the merchants' computers.
16 New York consumers accessing merchant sites, such as MENZIA's, make their purchases
17 in an online transaction, utilizing their credit cards for payment. In turn, the purchasers'
18 credit cards are processed via an intricate payment system that properly culminates with
19 the Visa/Mastercard funds being credited to the merchants' (e.g., MENZIA's) accounts.

20 ECS' AGREEMENT WITH SCANDORDER

21 16. In July 2004, ECS entered into an agreement with Scandorder Inc.
22 ("Scandorder"), also known as Scandor.com, for use of Defendants' credit card online
23 processing solution. Plaintiff is informed and believes that Scandorder is a Florida
24 Corporation created by Defendants NOLTER and ERIC NOLTER on May 5, 2004, just
25 two months before the execution of the ECS agreement. NOLTER is also listed as sole
26 officer and director of Scandorder.

1 17. Pursuant to such agreement, Defendants' Scandorder credit card
2 processing solution was to be used to expedite payment transactions for ECS' merchant
3 clients, including MENZIA. In order to induce ECS into entering such agreement,
4 Defendants represented themselves as third-party processors acting "in cooperation with
5 international acquiring banks" for the purpose of processing Internet online Visa and
6 Mastercard credit card transactions. More specifically, Defendants represented that they
7 had a Visa/Mastercard approved relationship through their acquiring bank, namely
8 HANDELSBANKEN, a prominent, A+ rated international bank with hundreds of
9 millions of dollars in assets. Defendants further represented that their Scandorder
10 processing solution would minimize settlement delays with Visa/Mastercard and
11 optimize ECS' merchants' timely receipt of full credit-card funds.

12 18. In reliance on Defendants' representations, most focally the existence of
13 the pivotal Visa/Mastercard approved merchant banking relationship through
14 HANDELSBANKEN, ECS, acting in its capacity as a 'master merchant,' agreed to use
15 Defendants' technology to process ECS' merchants' transactions.

16 **INTERNET CREDIT CARD PROCESSING**

17 19. Though it is far from transparent to users, Internet payment transactions
18 require an elaborate chain of procedures, spanning multiple parties, and with consequent
19 time-lags and delays. Consumers accessing the individual websites of ECS' merchants
20 and selecting items for purchase only know that they are inputting their credit-card
21 information as immediate payment for goods or services. In reality, while a merchant
22 such as MENZIA may ship the items in question, it does not secure any actual funds until
23 considerably thereafter.

24 20. In essence, MENZIA used the consumer's credit-card information to put
25 in an order via Scandorder's third-party credit card processing solution to
26 HANDELSBANKEN, as Defendants' acquiring bank. HANDELSBANKEN then put in

1 an order to Visa/Mastercard for eventual payment of funds to Defendants, who were then
2 responsible for dispersing such funds to ECS.

3 21. At the outset, the funds in issue originated from consumers' credit cards
4 drawn on "issuing banks," generally local to the consumer, and in this case including
5 local New York banks. With authorization from Visa/Mastercard, these issuing banks
6 had 'issued' credit cards to various consumers, who subsequently inputted the assigned
7 credit card information into ECS' merchants' websites as a form of payment.

8 22. Having acquired the consumers' credit card information, the merchants'
9 websites then relayed the credit-card transaction through Defendants' credit-card
10 processing software. Defendants' software solution, in turn, transmitted the transaction to
11 HANDELSBANKEN, Defendants' "acquiring bank," also known as a "merchant bank,"
12 and with which Defendants had a banking relationship. It is at this juncture that
13 HANDELSBANKEN'S computers took over the transaction, performing the focal task of
14 actually communicating with Visa/Mastercard to effect the retrieval and settlement of
15 merchant funds.

16 **DEFENDANTS' PIVOTAL ACQUISITION OF A VISA/MASTERCARD**
17 **MERCHANT BANKING RELATIONSHIP THROUGH HANDELSBANKEN**

18 23. Defendants' Visa/Mastercard banking relationship through
19 HANDELSBANKEN, as the acquiring or merchant bank, constituted the fundamental
20 and operative link in Defendants' credit-card processing operation. On information and
21 belief, merchant accounts are subject to rigorous and exacting pre-qualification
22 requirements that make such accounts difficult to attain for many merchants. Without a
23 merchant banking relationship, and the all-crucial merchant account, there can be no
24 credit-card processing, and, thus, in actuality, no bona fide online business.

25 24. In effect, on information and belief, all merchant accounts must be
26 sponsored by a Visa/MasterCard Acquiring Member Bank, such as
27 HANDELSBANKEN, which bank is consequently responsible for ensuring that a

1 prospective merchant, like Defendants, is in strict compliance with Visa and
2 MasterCard's rules and regulations. On information and belief, it is
3 HANDELSBANKEN, as the acquiring bank, that was responsible for screening,
4 investigating and endorsing Defendants, as one of the few select merchants from which it
5 intended to "acquire" Visa/Mastercard transactions. Plaintiff is informed and believes
6 and thereupon alleges that it is HANDELSBANKEN, therefore, that warranted to
7 Visa/Mastercard that Defendants' originally met and, thereafter continued to meet,
8 Visa/Mastercard's exacting rules and regulations promulgated with a view to preventing
9 and protecting against fraud. It is this consequent apparent "approval" by
10 Visa/Mastercard that also vested Defendants with the imprint of validity and legitimacy
11 to outside merchants, such as ECS and MENZIA, causing such merchants to invest
12 millions of dollars in processing funds.

13 25. On information and belief, under Visa/Mastercard rules and procedures,
14 HANDELSBANKEN, as the acquiring bank, was obligated to subject Defendants to a
15 mandatory, comprehensive verification process prior to execution of any merchant
16 agreement. On further information and belief, such mandatory screening procedures
17 included credit checks, background investigations, reference checks, physical inspection
18 of the business premises and records, investigations concerning the owners, principals, or
19 partners of the entities applying for the merchant account, and examination of the
20 merchant's previous merchant agreements etc.

21 26. Plaintiff is informed and believes and thereupon alleges that
22 Visa/Mastercard's security precautions, implemented with a view to preventing fraud,
23 permitted HANDELSBANKEN as an acquiring bank to open accounts only for verified,
24 established merchants. By opening such merchant account HANDELSBANKEN
25 conveyed the message that Defendants were legitimate, reputable, and met with
26 Visa/Mastercard's stamp of approval.

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1 27. In the case at hand, once Defendants were accepted by
2 HANDELSBANKEN as their acquiring bank, the Bank's computers essentially served as
3 an indispensable gateway to Visa/Mastercard, relaying codes and security protocols on
4 Defendants' behalf. After Visa/Mastercard approved the credit-card transactions, it
5 dispensed the funds to HANDELSBANKEN. HANDELSBANKEN, in turn, deposited
6 these funds into a "merchant account," from which such funds were transferred into an
7 account in the name of FACTOR EUROPE. From the FACTOR EUROPE account, the
8 funds were then to be wired to ECS' account, for eventual dispersal to the accounts of
9 ECS' individual merchants. However, to date, millions of dollars of such funds remain
10 unaccounted for by Defendants.

11 **DEFENDANTS' HANDELSBANKEN ACCOUNT ALLOWS THEM TO**
12 **CONVERT \$6 MILLION FROM PLAINTIFF**

13 28. In executing their complicated scheme, Defendants worked in concert.
14 Defendant NOLTER incorporated and ran Scandorder, and was involved in the
15 development and operation of the software processing solution, including controlling its
16 computer servers, located in both Florida and Sweden. On information and belief,
17 Defendant NOLTER has an extensive history of involvement with assorted fraudulent
18 business dealings. NOLTER's son, ERIC NOLTER ran Scandorder along with his
19 father. ERIC NOLTER also served as the technical expert for the scheme; working along
20 with his father, he was instrumental in designing the computer interfaces that
21 communicated with the bank's computers, facilitating the processing of merchant funds,
22 as well as the web page design and graphics. ERIC NOLTER also actively worked with
23 HANDELSBANKEN'S computers and programmers to process merchant funds. ERIC
24 NOLTER was also a liaison between programmers and the bank, and upon information
25 and belief actually physically met with HANDELSBANKEN at his father's request in
26 order to help establish the banking relationship with HANDELSBANKEN that
27 JOHANSSON brought to them.

1 29. Defendant JOHANSSON, working through Defendant FACTOR
2 EUROPE and a now-bankrupt entity known as Scandinavian Net Logistics ("SNL"), was
3 in charge of the key task of setting up the vital Visa/Mastercard banking relationship for
4 Defendants. On information and belief, via (i) the payment of various kickbacks or
5 bribes and/or (ii) by allowing HANDELSBANKEN employees to participate in the
6 profits earned by Defendants' credit-card processing scheme (not to mention the fees that
7 HANDELSBANKEN also earned for every transaction Defendants' processed),
8 JOHANSSON was able to "purchase" the necessary and indispensable banking
9 'relationship' with HANDELSBANKEN, complete with the all-crucial "merchant
10 account."

11 30. Accordingly, on or about June 2, 2004, Defendants and
12 HANDELSBANKEN entered into a merchant banking agreement. The merchant
13 agreement was set up in the names of SNL and Scandor.com. In turn,
14 HANDELSBANKEN also opened a merchant account for JOHANSSON in a branch
15 located in London in the name of an entirely different entity, FACTOR EUROPE, the
16 United Kingdom limited liability company that JOHANSSON had formed only a mere
17 two weeks earlier in May 2004. It was the FACTOR EUROPE account to which
18 HANDELSBANKEN eventually dispersed ECS' Visa/Mastercard funds.

19 31. This, having established that crucial merchant banking relationship with
20 HANDELSBANKEN in June 2004, and used such relationship to induce a processing
21 agreement with ECS in July 2004, Defendants began their sophisticated fraudulent
22 processing scheme. From August 23, 2004, through July 17, 2005 HANDELSBANKEN
23 processed Defendants' Visa/Mastercard transactions, including those belonging to ECS,
24 eventually dispensing such funds to the FACTOR EUROPE account. The relationship
25 between Defendants and HANDELSBANKEN only terminated when Visa/Mastercard
26 launched an investigation into HANDELSBANKEN and the Defendants, suspecting that
27 there were violations of Visa/Mastercard's mandatory merchant rules. As a consequence

1 of such investigation, HANDELSBANKEN was forced to terminate Defendants'
2 merchant agreement, halting the processing of credit-card funds.

3 32. On information and belief, HANDELSBANKEN, even after
4 Visa/Mastercard's reprimand and demand for termination of accounts, did not fire the two
5 employees responsible for having improperly opened Defendants' accounts; to the
6 contrary, the two employees, Paul Breakspeare and Sarah Gustafsson, were merely
7 reassigned to London, and Sweden, respectively. In effect, to this day, on information
8 and belief, HANDELSBANKEN maintains it is continuing to "investigate" its role in the
9 Defendants transactions, but with no apparent conclusion or resolution. In addition,
10 Plaintiff is informed and believes, and thereupon alleges, that HANDELSBANKEN
11 continues to permit JOHANSSON to operate and transact other business through the
12 FACTOR EUROPE account, which conveniently remains open.

13 **DEFENDANT JOHANSSON'S HISTORY OF BANKING FRAUD**

14 33.. Defendant JOHANSSON'S acquisition of the essential Visa/Mastercard
15 merchant account with HANDELSBANKEN, complete with the aura of legitimacy
16 conveyed thereby, enabled Defendants to access and appropriate Plaintiff's funds. On
17 information and belief, Defendant JOHANSSON had been refused such accounts at
18 various other banking institutions. In effect, JOHANSSON was only able to secure the
19 HANDELSBANKEN account through various bribes/kickbacks, as well as profit-sharing
20 arrangements with HANDELSBANKEN, which motivated the banking entity to provide
21 substantial assistance to Defendants' fraudulent scheme.

22 34. Indeed, JOHANSSON'S history of fraudulent banking transactions alone
23 should have more than foreclosed his ability to secure a merchant account at any
24 institution, including HANDELSBANKEN. For example, on information and belief,
25 until mid-2003, JOHANSSON was sole shareholder and owner of Bank Crozier in
26 Granada, which lost its banking license in April 2003, and was liquidated by court-order
27 on July 24, 2003 as a result of rampant fraud and abuse of depositors' money.

1 35. At the time of liquidation, the court-appointed liquidator issued multiple
2 reports accusing JOHANSSON of converting \$11.5 million from depositors' funds for his
3 own use, including helping himself to numerous unsecured loans from depositors'
4 accounts. The liquidator's reports concluded that "The CEO Mr. Peter Johansson and his
5 friends used the bank as a vehicle to extract funds from legitimate depositors and to
6 utilize these funds for their own purpose. Clearly steps must be taken to ensure that legal
7 proceedings are instituted against these individuals with regard to their outstanding
8 balances and loans that are unpaid," and further stated that "millions of dollars were
9 transferred to Peter Johansson, either directly or through vehicles in which they had a
10 beneficial interest." On information and belief, JOHANSSON was also accused of using
11 the Bank of Crozier to launder money.

12 36. Plaintiff is informed and believes and thereupon alleges that
13 JOHANSSON'S involvement in the Bank of Crozier scheme was no isolated incident;
14 rather Defendant JOHANSSON has been arrested and jailed multiple times due to
15 various accusations of fraud, including with respect to internet banking ventures.

16 37. Plaintiff is also informed and believes and thereupon alleges that
17 JOHANSSON and the other Defendants are being investigated by the Swedish
18 Economics Crime Bureau, and Scotland Yard, with the latter in particular, specifically,
19 investigating HANDELSBANKEN'S involvement in Defendants' multi-million dollar
20 fraudulent scheme.

21 39. On further information and belief, in the context of the Bank Crozier
22 collapse, JOHANSSON also apparently failed to pay Mastercard nearly \$500,000 in fees,
23 causing Mastercard to terminate membership. Mastercard only recovered these funds
24 after JOHANSSON was removed from the Bank of Crozier. Accordingly, Plaintiff is
25 informed and believes that HANDELSBANKEN'S merchant relationship with
26 JOHANSSON was contrary to Mastercard's mandatory rules, and therefore remained
27 intentionally undisclosed and unknown to Visa/Mastercard.

28

COMPLAINT

12

1 40. Plaintiff is informed and believes and thereupon alleges that Defendant
2 NOLTER'S background history reveals a similar pattern of criminal activity, including
3 through numerous online processing entities that have been accused of stealing funds.
4 On further information and belief, NOLTER also has a felony criminal record, and ties to
5 collapsed banking entities in Granada, as well. ERIC NOLTER also, on information and
6 belief, has extensive involvement in online credit card processing schemes, and has
7 accordingly changed his name to ARYKSIN NOBLE in an attempt to conceal his
8 background.

9 **ECS' AGREEMENT WITH DEFENDANTS**

10 41. Beginning on or about July 29, 2004, having been induced by Defendants'
11 purportedly approved Visa/Mastercard banking relationship through
12 HANDELSBANKEN, ECS entered into an agreement with Defendants for processing of
13 ECS' merchant credit card transactions. Accordingly, beginning in August 2004 and
14 ending in July 2005, Defendants processed ECS' merchants' credit-card transactions
15 through their relationship with HANDELSBANKEN. HANDELSBANKEN, acting on
16 Defendants' behalf, indeed acquired the funds from Visa/Mastercard, eventually settling
17 them in JOHANSSON'S account in the name of FACTOR EUROPE located in
18 HANDELSBANKEN'S London branch.

19 42. By June 2005, Defendants had secured from Visa/Mastercard, but failed to
20 turn over to Plaintiff some \$6,236,372 in funds. On information and belief, at
21 HANDELSBANKEN's instruction, Visa/Mastercard had indeed dispersed these funds
22 into the FACTOR EUROPE account; however, as had occurred with accounts at the
23 Bank of Crozier, these funds mysteriously disappeared on Defendant JOHANSSON'S
24 watch.

25 43. Despite repeated demands that the Defendants turn over to ECS the \$6
26 million in funds in issue, and repeated representations from Defendants, including
27 JOHANSSON and NOLTER, that such funds were forthcoming, Defendants continued

1 and continue to retain such sums. At the outset, Defendants claimed that the funds were
2 being held back to protect against charge-backs, referring to customer returns or refunds
3 that might need to be eventually credited back to Visa/Mastercard. ECS relied on this
4 representation; however, with the elapse of greater and greater periods of time, it became
5 clear that this representation was false.

6 44. Accordingly, in a March 20, 2006 e-mail to JOHANSSON, ECS noted
7 that six months had elapsed since processing had ceased, all banking funds should have
8 been released to Defendants, and all chargebacks long accounted for -- thus, demanding
9 that the unaccounted for \$6,236,372 be immediately turned-over to ECS and its
10 merchants. Notwithstanding the same, Defendants have failed and refused to return any
11 of these funds, offering no explanation for such willful conduct.

12 45. As a result of Defendants' conduct, ECS' merchants have been deprived
13 and denuded of millions, and hundreds of New York consumers, who made purchases
14 from ECS' merchants online, likewise await the return of funds to their New York issuing
15 banks.

16 46. Defendants have acted maliciously and wantonly, with oppression, insult,
17 wanton or reckless disregard of the Plaintiff's rights in looting \$6 million of merchant
18 funds, entitling Plaintiff to punitive damages in the form of a percentage of Defendants'
19 profits, but no less than \$25 million.

20 **FIRST CLAIM FOR RELIEF**
21 **(Against JOHANSSON, NOLTER, ERIC NOLTER and FACTOR EUROPE)**
(Conversion)

22 47. Plaintiff incorporate paragraphs 1 - 46 herein as if set forth in full.

23 48. On or about March 20, 2006, Defendants converted \$6,236,372 of
24 Plaintiff's funds. The funds in issue belonged to ECS and its respective merchants, who
25 were the owners of such monies and entitled to immediate possession thereof.

26 49. Defendants initially took possession of the funds lawfully pursuant to an
27 agreement that related entities would process Plaintiff's credit cards, settle such funds

1 from Visa/Mastercard, and deposit them into a merchant account at
2 HANDELSBANKEN. These funds were then to be wired to ECS' account at Lloyd's
3 TSB Bank.

4 50. Over the course of the period from August 23, 2004, till July 17, 2005,
5 Defendants came into possession of \$6,236,372 of Plaintiff's money, which funds were
6 eventually settled by Visa/Mastercard into Defendants' HANDELSBANKEN account in
7 London in the name of FACTOR EUROPE, but never surrendered to ECS or its
8 merchants.

9 51. On March 20, 2006, ECS demanded the return of the \$6,236,372 in funds.

10 52. Notwithstanding such demand, Defendants have failed and refused to
11 return any of these funds. ECS' funds, which were settled into Defendants' FACTOR
12 EUROPE account, have been removed and transferred elsewhere by Defendants, and
13 never surrendered to ECS.

14 53. Defendants have unlawfully converted \$ 6,236,372 to their own use.
15 Accordingly, Plaintiff has been damaged in the amount of \$6,236,372, plus special
16 damages in an amount to be proven at trial as a result of damage to Plaintiff's business
17 reputation and credit.

18 54. Plaintiff is also entitled to punitive damages because Defendants acted
19 maliciously and wantonly, with oppression, insult, wanton or reckless disregard of the
20 Plaintiff's rights or other circumstances of aggravation in converting millions of dollars
21 from ECS' merchants. Defendants engaged in intentional and deliberate wrongdoing;
22 with aggravating or outrageous circumstances; had a fraudulent or evil motive; or
23 engaged in a conscious act that willfully and wantonly disregarded the rights of Plaintiff,
24 justifying such award.

SECOND CLAIM FOR RELIEF
(Against HANDELSBANKEN)
(Aiding & Abetting Conversion)

55. Plaintiff incorporate paragraphs 1 - 46 herein as if set forth in full.

56. Defendants JOHANSSON, NOLTER, ERIC NOLTER, and FACTOR EUROPE unlawfully converted \$6,236,372 in funds to their own use, which funds belong to ECS and its merchants.

57. Defendant HANDELSBANKEN, in turn, aided and abetted such conversion by providing the other Defendants with substantial assistance. HANDELSBANKEN had actual knowledge that Defendants were engaged in the process of converting Plaintiff's funds.

58. Via the payment of assorted kickbacks or bribes and/or by allowing HANDELSBANKEN employees to participate in the profits of their fraudulent scheme, JOHANSSON was able to secure a necessary and indispensable banking 'relationship' with HANDELSBANKEN, complete with the all-crucial "merchant account," and access to Visa/Mastercard. In the same vein, HANDELSBANKEN, by opening such merchant accounts, permitted the other Defendants to appear as if they were sponsored by and approved of by Visa/Mastercard, allowing all Defendants to exploit this apparent stamp of legitimacy and induce greater and greater access to merchant funds.

59. HANDELSBANKEN further aided and abetted Defendants' conversion by concealing and overlooking Defendants' considerable history of fraudulent banking transactions, which should have precluded their ability to secure a merchant account at any institution, including HANDELSBANKEN. In fact, on information and belief, as HANDELSBANKEN was well aware, among other things, that only a year or so earlier, JOHANSSON had been accused of converting \$11.5 million from depositors' funds for his own use, causing the collapse of the Crozier Bank. Defendant had also been CEO and sole shareholder of an entity whose merchant relationship was terminated by Mastercard. On information and belief, HANDELSBANKEN'S merchant relationship

1 with JOHANSSON was contrary to Mastercard's mandatory rules, and therefore went
2 intentionally undisclosed and unknown to Visa/Mastercard, thus, permitting Defendants
3 to enjoy an account to which they otherwise had no right, and without which they could
4 not have converted millions of dollars in Plaintiff's funds.

5 60. On information and belief, under Visa/Mastercards rules and procedures,
6 HANDELSBANKEN, as the acquiring bank, was obligated to subject Defendants
7 JOHANSSON, NOLTER, ERIC NOLTER, and FACTOR EUROPE, as well as SNL and
8 Scandor.com, to a mandatory, comprehensive verification process prior to execution of
9 any merchant agreement. On information and belief, it was further obligated to monitor
10 and certify that Defendants continued to meet all mandatory screening procedures,
11 including via credit checks, background investigations etc. Accordingly,
12 HANDELSBANKEN was therefore well aware, but did not convey to Visa/Mastercard,
13 among other things, that Defendants' companies were not established entities; that
14 Defendants, including Defendants NOLTER and JOHANSSON, as principals in such
15 entities, had a background in expediting massive fraudulent schemes; and that Defendant
16 JOHANSSON had previously been party to a merchant agreement that Mastercard had
17 terminated. On information and belief, by failing to convey such mandatory information
18 to Visa/Mastercard, HANDELSBANKEN substantially assisted Defendants in not only
19 acquiring, but holding onto their merchant account, thus, evading Visa/Mastercard's
20 termination.

21 61. Defendant HANDELSBANKEN, having accepted bribes/kickbacks and
22 invested in the very scheme that it sought to protect and conceal, enabled Defendants to
23 implement and continue with their conversion of Plaintiff's funds, ultimately allowing
24 them to raze \$6 million over time.

25 62. Defendant HANDELSBANKEN rendered substantial assistance in the
26 achievement of JOHANSSON, NOLTER, ERIC NOLTER and FACTOR EUROPE'S'
27 conversion of \$ 6,236,372. While concealing the true facts from Visa/Mastercard,

1 HANDELSBANKEN permitted Defendants to secure a merchant account, fully aware
2 that Defendants were not entitled to such account pursuant to Visa/Mastercard's security
3 protocols. Defendant JOHANSSON'S acquisition of the essential merchant account with
4 HANDELSBANKEN, complete with the aura of legitimacy conveyed thereby, enabled
5 Defendants to access and loot \$6 million dollars of Plaintiff's money.

6 63. HANDELSBANKEN affirmatively assisted Defendants in the conversion
7 and Plaintiff's injury was a direct or reasonably foreseeable result of the complained of
8 conduct.

9 **THIRD CLAIM FOR RELIEF**
10 **(Against HANDELSBANKEN)**
(Aiding & Abetting Fraud)

11 64. Plaintiff incorporate paragraphs 1 - 46 herein as if set forth in full.

12 65. On or about July 29, 2004, in order to induce ECS into entering into an
13 credit-card processing agreement, Defendants, acting through Scandor.com personnel
14 Walid el Hourri in Florida, represented that Defendants had an approved Visa Mastercard
15 relationship through HANDELSBANKEN. Defendants further represented that they
16 were legitimately "a company active as a third party processor in cooperation with
17 international acquiring banks for the purpose of processing Internet online Visa and
18 Mastercard credit card transactions." Defendants also represented that their superior
19 credit card processing technology would permit for fewer settlement delays and more
20 timely receipt of merchant credit-card funds. These representations were made by Walid
21 el Hourri acting on the Defendants' behalf.

22 66. Defendants concealed the material fact that their Visa/Mastercard banking
23 relationship through HANDELSBANKEN was established only recently through the
24 payment of various kickbacks and bribes, and on information and belief, in violation of
25 Visa/Mastercard's rules and regulations. Defendants, further, at no time disclosed that
26 the company had only acquired that banking relationship one month earlier, and that
27 Defendants had a long-standing history of fraudulent banking practices. Instead,

1 Defendants represented as a material fact that they would supply ECS' merchants with a
2 credit card processing network that would permit merchants to secure Visa/Mastercard
3 funds in an expedited and more complete manner.

4 67. These representations were false when made, and Defendants knew them
5 to be false. Defendants were not a company active as a third-party processor, in that they
6 had only established a relationship with HANDELSBANKEN a mere month earlier.
7 Defendants' banking relationship with HANDELSBANKEN had not come as a result of
8 the standard compliance with Visa/Mastercards rules and regulations, and therefore with
9 Visa/Mastercard's approval, but rather through a course of bribes, kickbacks and profit
10 sharing conspiracies. Defendants had a long history of fraudulent activities, including,
11 taking funds from online processing schemes. Moreover, Defendants' promise that their
12 system would provide for the quicker and more precise settlement of funds was a false
13 promise, in that it was made without the intention of performing it. Defendants' actual
14 intent was to appropriate millions of dollars of ECS' merchant funds for their own use,
15 consistent with the long history of fraudulent banking activities perpetrated by
16 Defendants. Defendants intended ECS to rely on such misrepresentations, and process its
17 merchant funds with Defendants.

18 68. Plaintiff relied on Defendants' representations, and entered into a
19 processing agreement, providing Defendants with access to millions of dollars in
20 merchant credit-card funds in the process. Plaintiff's reliance was justified in that
21 Defendants had an apparent "approved" relationship with Visa/Mastercard through
22 HANDELSBANKEN, and there was no reason to believe that Defendants had been able
23 to secure such a relationship through bribes, and despite their shady and sub-par banking
24 history, complete with accusations of at least \$11 million worth of stolen funds.

25 69. Defendants JOHANSSON and NOLTER continued to make these same
26 representations and omissions throughout this same period.

1 70. At this stage of the action, Plaintiff is unable to state the circumstances of
2 the fraudulent scheme in more detail because that information is exclusively in
3 Defendants' possession; however, on or about March 20, 2006, Defendants, including in
4 particular JOHANSSON and FACTOR EUROPE stole \$6,236,372 of Plaintiff's funds, by
5 failing to turn over such ECS funds, which funds were withdrawn from the FACTOR
6 EUROPE account, but never forwarded to ECS' account. Despite knowledge of such
7 bribes and kickbacks, HANDELSBANKEN allowed and continues to allow the
8 FACTOR EUROPE account to remain open.

9 71. Defendant HANDELSBANKEN aided and abetted the other Defendants
10 in the perpetration of their fraud. Defendant HANDELSBANKEN affirmatively assisted,
11 concealed, and failed to act when required to do so, in order to enable the other
12 Defendants' acts of fraud to advance and progress.

13 72. Defendant HANDELSBANKEN had actual knowledge that the other
14 Defendants were engaged in perpetrating such fraud, but concealed and failed to act to
15 stop such conduct. Instead, HANDELSBANKEN'S employees were vested in the
16 continued propagation of such fraud, as a result of their receipt of various forms of
17 profits, kickbacks/bribes and fees. On information and belief, HANDELSBANKEN,
18 thus, not only set up the merchant banking relationship that facilitated the entire fraud,
19 but concealed from Mastercard JOHANSSON'S role in the implosion of the Bank of
20 Crozier, and JOHANSSON'S participation in a prior Mastercard terminated merchant
21 agreement. On information and belief, HANDELSBANKEN'S merchant relationship
22 with JOHANSSON was contrary to Mastercard's mandatory rules, and therefore went
23 intentionally undisclosed and unknown to Visa/Mastercard, to avoid termination of
24 Defendants' agreement and account.

25 73. On information and belief, under Visa/Mastercard rules and procedures,
26 HANDELSBANKEN, as the acquiring bank, was obligated to subject Defendants,
27 including JOHANSSON and FACTOR EUROPE to a mandatory, comprehensive

1 verification process prior to execution of any merchant agreement, and thereafter. By
2 failing to report Defendants' noncompliance with these mandatory rules,
3 HANDELSBANKEN facilitated and extended the life of the fraud. Accordingly, among
4 other things, HANDELSBANKEN failed to convey to Visa Mastercard that FACTOR
5 EUROPE was barely established; that Defendants JOHANSSON and NOLTER, as
6 principals in such entities had a background in expediting massive fraudulent schemes;
7 and that Defendant JOHANSSON'S previous merchant agreement had been terminated.
8 Accordingly, Defendant HANDELSBANKEN was well aware that the other Defendants
9 were engaged in attempting to convert Plaintiff's funds through a course of fraud, and
10 accepted the bribes/kickbacks in return for permitting, facilitating and benefitting from
11 Defendants' perpetration of such fraud.

12 74. Defendant HANDELSBANKEN rendered substantial assistance in the
13 achievement of JOHANSSON and FACTOR EUROPE's fraudulent appropriation of
14 \$6,236,372. While concealing the true facts from Visa/Mastercard,
15 HANDELSBANKEN permitted Defendants to secure a merchant account, fully aware
16 that they were not entitled to such account pursuant to Visa/Mastercard's rules and
17 security protocols. Defendant JOHANSSON's acquisition of the essential merchant
18 account with HANDELSBANKEN, complete with the aura of legitimacy conveyed
19 thereby, enabled the very mechanism by which Defendants were able to access Plaintiff's
20 money and perpetrate their multi-million dollar fraud.

21 75. HANDELSBANKEN affirmatively assisted Defendants in the fraud and
22 Plaintiff's injury was a direct or reasonably foreseeable result of the complained of
23 conduct.

24 76. Plaintiff is entitled to compensatory damages according to proof, as well
25 as exemplary or punitive damages because Defendant's wrongful act is egregious, done
26 willfully, wantonly, or maliciously, or is characterized by other aggravating
27 circumstance.

FOURTH CLAIM FOR RELIEF
(Negligence)
(Against HANDELSBANKEN)

77. Plaintiff incorporate paragraphs 1 - 46 herein as if set forth in full.

78. Defendant, as a Visa/Mastercard acquiring bank, had a legal duty to Plaintiff to use due care in opening and monitoring merchant accounts. Defendant was aware that Defendants were acting as a third party processor, and therefore had a duty to Plaintiff or the class of person to which Plaintiff is a member, comprised of other merchants. In addition, HANDELSBANKEN was aware that Defendants were processing consumer credit-card transactions and had a duty to said consumers.

79. Defendant had a duty as a financial institution to investigate Defendants as a prospective merchant before allowing them to process millions of dollars of credit-card transactions through a HANDELSBANKEN account. On information and belief, Visa/Mastercard's rules and regulations, required that Defendant HANDELSBANKEN carefully screen, including via background and credit checks, etc., SNL, Scandorder.com, FACTOR EUROPE, and its principals, JOHANSSON, NOTLER and ERIC NOLTER as prospective member merchant(s) and continuing thereafter, to protect against fraud.

80. Defendant breached this duty of care by, among other things, failing to comply with Visa/Mastercard rules and regulations, and enabling Defendants, particularly JOHANSSON, to open such merchant account despite a history of fraudulent banking transactions.

81. By allowing Defendants to open and maintain merchant accounts at HANDELSBANKEN, complete with the imprimatur of legitimacy conveyed thereby, HANDELSBANKEN enabled the very mechanism by which Defendants were able to access Plaintiff's money and perpetrate their multi-million dollar fraud. Defendant HANDELSBANKEN conduct was thus a reasonably foreseeable and proximate cause of Plaintiff's loss of \$6 million in funds.

FIFTH CLAIM FOR RELIEF

(New York Uniform Deceptive Trade Practices Act; N.Y. CLS Gen. Bus. § 349)
(Against All Defendants)

82. Plaintiff incorporate paragraphs 1 - 46 herein as if set forth in full.

83. Defendants have engaged in deceptive trade practices when, in the course of their business, vocation, or occupation, they represented that the Defendants' merchant account with HANDELSBANKEN was associated with or certified by Visa/Mastercard, when in fact Defendants had merely utilized bribes and kickbacks to create this facade. In truth, on information and belief, the relationship was contrary to Visa/Mastercard rules and regulations, and when Visa/Mastercard learned of such relationship, it ordered HANDELSBANKEN to terminate said agreement and relationship.

84. Defendants' conduct caused a likelihood of confusion or of misunderstanding as to (a) the source, sponsorship, approval, or certification of their goods or services; and (b) affiliation, connection, or association with, or certification by, another. Defendants deceptively represented that they had a Visa/Mastercard approved relationship through HANDELSBANKEN, when in reality, Defendants were engaged in the practice of deceiving Visa/Mastercard, merchants, and consumers, and converting their funds.

85. Defendants' trade practices, have caused and will continue to cause damage to Plaintiff, who in reliance on such false affiliations, connections, associations with, certifications by, and representations, permitted Defendants to process millions of dollars of credit-card transactions, allowing Defendants to appropriate well-over \$6 million in the process.

86. As a direct and proximate cause of Defendants' conduct as alleged herein, Plaintiff has suffered harm and injury as set forth in the preceding paragraphs and has sustained corresponding actual damages according to proof. These damages include funds due back to individual New York consumers, who number in the hundreds, and the New York issuing banks on which the consumers' credit cards are drawn.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays as follows:

1. On the first cause of action, for judgment against the Defendants for \$ 6,236,372, plus prejudgment interest from the time of conversion, special damages, and for punitive damages.

2. On the second cause of action, for judgment against the Defendants for \$6,236,372, plus prejudgment interest from the time of conversion, special damages, and for exemplary or punitive damages.

3. On the third cause of action, for compensatory damages according to proof, for prejudgment interest, and for exemplary or punitive damages.

4. On the fourth cause of action, for compensatory damages according to proof.

5. On the fifth cause of action, for actual damages and reasonable attorneys fees.

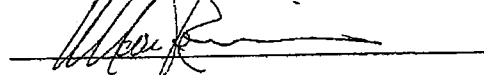
6. For costs of suit.

7. For such other relief as this Court deems proper and just.

DATED: October 8, 2007

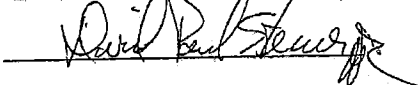
Respectfully Submitted,

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